

**TREMONTON CITY CORPORATION
CITY COUNCIL MEETING
August 16, 2016**

Members Present:

Diana Doutre
Lyle Holmgren
Jeff Reese
Bret Rohde
Lyle Vance
Roger Fridal, Mayor
Shawn Warnke, City Manager
Linsey Nessen, Acting City Recorder

CITY COUNCIL WORKSHOP

Mayor Fridal called the August 16, 2016 City Council Workshop to order at 6:01 p.m. The meeting was held in the City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Mayor Fridal, Councilmembers Doutre, Holmgren, Reese, Rohde, and Vance, City Manager Shawn Warnke, and Acting City Recorder Linsey Nessen. The following Department Heads were also present: Public Works Director Paul Fulgham, Police Chief David Nance, and Treasurer Sharri Oyler (arrived at 6:15 p.m.).

Motion by Councilmember Reese to move into Closed Session. Motion seconded by Councilmember Doutre. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

The Council moved into closed session at 6:03 p.m.

1. **CLOSED SESSIONS:**
 - a. *Strategy session to discuss the purchase of real property when public discussion of the transaction would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms*
 - b. *Strategy session to discuss the character, professional competence or physical or mental health of an individual*
 - c. *strategy sessions to discuss pending or reasonably imminent litigation*

Items 1a and 1b were discussed at this time.

Motion by Councilmember Doutre to return to open meeting. Motion seconded by Councilmember Vance. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

The Council returned to open session at 6:12 p.m.

2. Review of agenda items on the 7:00 p.m. City Council Meeting

K-9 Program. Chief Nance noted Buddy, the K-9 Dog, has been in service for seven years and has been deployed about fifty times a year on searches. In total, Buddy has found 150 pounds of drugs. Dogs have an average service life of seven years as their hips start to wear out. The police department would like to get a full service/patrol dog within the next several years from a handler/trainer in Ogden. K-9 dogs require at least four hours of training per week. Officer Hayman would like to keep Buddy as they have developed a strong relationship.

Cedar Ridge Well Pump. Director Fulgham stated the well was purchased in 2010. The water level dropped from 196 feet to 259 feet and does not have the ability to push the water into the pump. The pump will be lowered next week to 350 feet to utilize an additional water source lower in the well. The study should be out next summer and give the City rights to the water. Director Fulgham will transfer water rights to the Cedar Ridge Well if it produces the anticipated amount of water.

Ord. No. 16-16 Codifying Ordinances. Manager Warnke explained this Ordinance will grant authority to the City Recorder to edit ordinances. It would not allow any changes in substance as that would need to come before the Council.

Ord. No. 16-17 Real Estate Agreement. This ordinance will allow the Mayor to enter in and sign real estate agreements.

Res. No. 16-44 Waive Utility Charges to Skyway Golf & Country Club. Resolution No. 16-44 would waive water, sewer collection, storm drain, and wastewater base fees. Skyway Golf & Country Club approached the City about this issue. They paid approximately \$1,000 last year. Skyway Golf & Country Club would still be responsible for any overages.

Request for Statement of Qualifications for Health Insurance Broker. The City has been with GBS Benefits for five years and they have done a good job. Individuals have approached the City about being an independent health insurance broker for the City so the City is accepting Statement of Qualifications. This will look at qualifications and ensure they are independent.

Motion by Councilmember Vance to move into Closed Session. Motion seconded by Councilmember Doutre. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

The Council moved into closed session at 6:53 p.m.

1. **CLOSED SESSIONS:**

- a. *Strategy session to discuss the purchase of real property when public discussion of the transaction would disclose the appraisal or estimated value of the property under consideration or prevent the public body from completing the transaction on the best possible terms*
- b. *Strategy session to discuss the character, professional competence or physical*

- c. or mental health of an individual
strategy sessions to discuss pending or reasonably imminent litigation*

Item 1 c. was discussed at this time.

Motion by Councilmember Rohde to return to open meeting. Motion seconded by Councilmember Holmgren. Vote: Councilmember Dautre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

The Council returned to open session at 7:00 p.m.

3. Discussion of the hiring process for the Tremonton City Fire Chief in accordance with 10-120 of the Tremonton City Revised Ordinances
4. Presentation and discussion regarding potential physical changes to Midland Square

Items 3 and 4 were not discussed at this time.

The meeting adjourned at 7:00 p.m. by consensus of the Council.

CITY COUNCIL MEETING

Mayor Fridal called the August 16, 2016 City Council Meeting to order at 7:05 p.m. The meeting was held in the Tremonton City Council Meeting Room at 102 South Tremont Street, Tremonton, Utah. Those in attendance were Mayor Fridal, Councilmembers Dautre, Holmgren, Reese, Rohde, and Vance, City Manager Shawn Warnke, and Acting City Recorder Linsey Nessen. The following Department Heads were also present: Public Works Director Paul Fulgham, Police Chief David Nance, and Treasurer Sharri Oyler.

1. Opening Ceremony:

Mayor Fridal informed the audience that he had received no written or oral request to participate in the Opening Ceremony. He asked anyone who may be offended by listening to a prayer to step out into the lobby for this portion of the meeting. The prayer was offered by Councilmember Reese and the Pledge of Allegiance was led by Councilmember Dautre.

2. Introduction of guests:

Mayor Fridal thanked those in attendance for coming to City Council.

3. Approval of Agenda:

Mayor Fridal asked if there were any changes or corrections to the Agenda. No comments were made.

Motion by Councilmember Doutre to approve the agenda for this evening. Motion seconded by Councilmember Reese. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

4. Approval of minutes – August 2, 2016:

Mayor Fridal asked if there were any changes to the minutes. Councilmember Doutre had one correction.

Motion by Councilmember Reese to approve the minutes of August 2, 2016. Motion seconded by Councilmember Vance. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

5. Public comments: Comments limited to three minutes:

There were no public comments.

6. Department Head Presentations & Discussions

- a. Presentation on the Tremonton City K-9 Program from 2010 through 2016 – David Nance, Police Chief

This item was discussed in the Work Session.

- b. Presentation on Cedar Ridge Well Pump – Paul Fulgham, Public Works Director

This item was discussed in the Work Session.

7. Request(s) to be on the agenda

- a. Discussion of Spring Hollow Subdivision – Spring Hollow Subdivision Representatives

Jay Christensen told the Council they are trying to build an adult community and adjacent subdivision. They hit a major hurdle, which has created a difficulty for them to continue. It is difficult to come up with the total dollar figure. It was proposed that the Council look at how close they are and see if they can create something to make this work. He has lived here his entire life and noted it is a fine line to being successful in the development world in Tremonton. There are a lot of contingencies here. We are lower priced as far as lots sold. Most developers here are doing it because they want to see something happen in Tremonton. We want to see growth. This is a bigger project than they would have bit off. There was a water line needed across the property through the middle of the property.

The bond is the problem. They need to have a \$676K bond to continue but they have \$600K and are \$76K away. Mr. Christensen proposed they be allowed to

begin selling lots and put a contingent that the \$76K be replaced after they have sold five or six lots. They do not question whether that amount is right and feel comfortable that is the amount it will cost to finish the development. They ask the Council to see if there is a way they can begin selling so they can meet the City's requirements.

Councilmember Vance asked if they have their own cash they could use to reach the \$676K bond. Mr. Christensen noted they have invested about \$400K in infrastructure already. Bryce Rigby stated this is a million dollar project. They have put in enough money already and hope to feed the fire by selling lots. As far as personal money, there is a lot already invested.

Mr. Christensen sat on the Council for Box Elder County for nine years. Cities are no different. A lot of times a Council creates something but does not really understand the pros and cons until after it is implemented. Box Elder County Council redid roads and things that had to be tweaked and corrected a little bit. If Ivory Homes was here building, they would not have this problem because they have a big enough bank roll. Smaller individuals have a difficult time coming up with those numbers. If the Council would consider tweaking it, and allow a developer to come up with 50% of the bond, then be allowed to reach 100% after he sells some lots. It is a big mountain for them to face. Some cities require 110%. Tremonton is not alone, it is common practice, but it is pretty difficult for small developers.

Councilmember Holmgren asked if there have been verbal presales for lots or discussions regarding lots. Mr. Christensen noted there are people that have been waiting for a long time. They have lost four lot sales to Kotter Canyon in Brigham City because they have not been able to sell. They want to get started. It is not only City related. This isn't the only obstacle they have had. They are learning how to do this. They hope it can be looked at and the City can come up with something. Councilmember Holmgren understands where they are coming from. The margins are not very big and there is a lot of risk. The City would like to see the project through to completion. He would like the Council to look into this a little more. It is hard to be part of this type of business.

Councilmember Rohde would like to work with them and see it go. He thinks it is an awesome idea and needs to be here. Is there a way to differentiate between large and small developers? There was discussion noting the bond is in place to guarantee the lots and subdivisions get the necessary public improvements. Manager Warnke noted some of the development could be eliminated which would reduce the amount of the bond. In general, when developers are struggling financially in the beginning, the City has more reason to get a financial guarantee.

Mr. Christensen said they are meeting the criteria. There is \$600K guaranteed now. There are a lot more loopholes to jump through if they ask for more. That was the breakoff. There was a conversation before this meeting that looked at developing in phases, but not necessarily breaking it down. We could do that. We've spent close to \$30K extra in the last two years because of soil testing. Creating this bond cost an extra \$10K. If people think they are going to make money developing, they are crazy. It is frustrating. He can see the City's point to

protect the City. The City will get \$350K in building lots alone. That should be important to the City to help us a little and figure out a way to help us do it.

Councilmember Vance stated they would all like to help. He noted that when the Council makes a decision it can open a door. Mr. Christensen said you have to be very careful how you do that and he understands. Mr. Christensen said the Box Elder County Council allowed things that met criteria to the point where they didn't get burned. They are pretty anxious to try and sell lots by the fair. To have the engineer go back and make changes, it will take probably two months and brings additional expense.

Manager Warnke said that is the point they could work with them on. It doesn't need to go back through if they came up with something abbreviated or smaller. Mr. Rigby said there is not a real comfortable break but as far as selling lots and developing the roads, it is doable. Mr. Christensen said they cannot stop the road. They may as well put everything in all the way around the subdivision instead of stopping it. Mr. Rigby noted there is a loop around and it makes it difficult to put it into phases. We could do that but then we would still probably finish the road and put everything in on the other side.

Mayor Fridal said they are going to invest \$600K. With the sale of the first five lots the City would get the other \$76K and noted they could not get building permits if they do not pay the City. They will have \$1M invested and will not bail on it. This would be something that is beneficial to the City and them with almost no risk to the City.

Councilmember Holmgren asked if the City could have a lien on the first five lots so there is a guarantee for the \$76K and allow them to get started. Manager Warnke said they could put in the public improvements first and lower their bond amount. There are several subdivisions in the City that do not have all the improvements. It is not uncommon that a developer has a misstep and improvements are not completed. Councilmember Vance noted it is a cash bond.

Mr. Christensen said the Christensen family has contributed to the development; storm drains, retention ponds, and everything that has been done. They have donated property and given an easement through the property for the water line. He understands being nervous about some of the stuff. If the Council says they have to go the way it is written, it will not stop them. They will come up with the money and continue but they are asking for some creativity. In the beginning, they asked if they could use their other property as collateral but the City did not want to get into the real estate business. Box Elder County acquired a lot of property by doing the same type of thing. They are asking for a small window. Maybe they should add a timeframe like nine months. It would give them time to start and if they haven't got the six lots sold, they will hand the City the \$76K.

They have been waiting two years to get this project going. Mr. Rigby said it is a little unfair to compare them to other subdivisions. They are almost there. They have \$600K. It doesn't sound like the other subdivisions were close or had any kind of a bond. Anything they have is an improvement. It is almost black and

white. Manager Warnke said they did have a form of guarantee, a letter of credit, that was essentially terminated without notice and ordinances have since changed.

Councilmember Holmgren asked Manager Warnke if he can look into this and see what he can do. Councilmember Reese would like to help them but asked Councilmember Vance if he would be afraid to pursue this. Councilmember Vance wondered how they can come up with the \$76K in nine months when they cannot come up with it now. Mr. Christensen said they can come up with the \$76K but it is not a simple decision and they have to scrape.

Mr. Rigby said they must be talking to the wrong person because it is not until the last minute when they finally figure out how to change Manager Warnke's mind. Director Fulgham said the Council sets the ordinances. Mr. Rigby said Manager Warnke goes by what it says. He agrees with that. We are not saying that we do not want to try and find another route. You are saying there is one lane and that is the only lane you can be in. I am saying be unique and help us that are trying to develop. You do not have other people in here asking to do this kind of development. Let's help those that are local and actually live in the City and love the area and want to make it better.

Councilmember Doutre said they can listen tonight but not make any decisions. It has been good to hear all the sides. Mr. Rigby said if it takes time it takes time. Councilmember Holmgren said the Council's job is to balance and protect the City. They want to see you succeed. Mr. Christensen said if it is that difficult now, there should be a way to protect the City and let a developer begin without that big obstacle. Mayor Fridal said they will put it on the agenda for City Council. Manager Warnke said it has to go through the Planning Commission, Land Use Authority Board and have a public hearing before the Council can vote. Mr. Christensen said they cannot wait that long. It is a problem for developers and should be addressed. Mayor Fridal said the Council cannot take action if it is not an action item on the agenda but it will be addressed again. He thanked them for their input and time.

8. New Council Business:

a. Approval of May Financial Statements

Motion by Councilmember Doutre to approve the May Financial Statement. Motion seconded by Councilmember Holmgren. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

b. Approval of May Warrant Register

Motion by Councilmember Reese to approve the May Warrant Register. Motion seconded by Councilmember Vance. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

- c. Discussion and consideration of adopting Ordinance No. 16-16 designating and granting authority to the City Recorder to codify ordinances into and to edit ordinances within the Revised Ordinances of Tremonton City Corporation

Councilmember Holmgren wondered if the codified ordinances are put on the website as html so they are searchable.

Motion by Councilmember Holmgren to adopt Ordinance No. 16-16 and grant authority to the City Recorder to codify the ordinances into the ordinances of Tremonton City Corporation. Motion seconded by Councilmember Rohde. Roll Call Vote: Councilmember Dautre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

- d. Discussion and consideration of adopting Ordinance No. 16-17 authorizing the Mayor to enter into real estate option purchase agreements on behalf of Tremonton City

Motion by Councilmember Reese to adopt Ordinance No. 16-17 with a six month sunset. Motion seconded by Councilmember Dautre. Roll Call Vote: Councilmember Dautre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

- e. Discussion and consideration of approving Resolution No. 16-44 waiving of City utility charges for the Skyway Golf & Country Club located at 450 West Country Club Drive in Tremonton, Utah

Jay Sandall said Tremonton City built the golf course. In the beginning, the City paid the pumping and water bill from the canal company. Later on, the golf course started paying the bills. About 3-4 years ago, the golf course started paying for the water shares owned by the City. They also pay water and sewer bills. Mr. Sandall asked the Council to consider waiving part of the fees.

Motion by Councilmember Holmgren to approve Resolution No. 16-44 and waive the base rate on the utility charges, not any overage on the three hookups. We are basically going to waive the base rate on the three hookups. Motion seconded by Councilmember Reese. Roll Call Vote: Councilmember Dautre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved. Councilmember Dautre and Mayor Fridal thanked Mr. Sandall for his time.

- f. Discussion and consideration of authorizing the advertisement of Tremonton City Request for Statement of Qualifications for Independent Health Insurance Broker Services

Motion by Councilmember Vance to authorize the advertisement of Tremonton City Statement of Qualifications for Independent Health

Insurance Broker Services. Motion seconded by Councilmember Doutre. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

- g. Discussion and consideration of disposal of surplus City property by approving Buddy, the K-9 Dog, to be gifted to his handler Police Officer Hayman

Chief Nance commented that Buddy is eight years old. The average working life of a K-9 is seven years. Buddy has been having some hip and leg problems in the last year. It is proposed that Buddy retire and live with his handler.

Motion by Councilmember Doutre to gift our K-9 dog to Police Officer Hayman with the thanks of the Tremonton City Council. Motion seconded by Councilmember Reese. Councilmember Rohde would like the City to get a new dog as soon as possible as it is an asset to the City. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

- h. Discussion and consideration of disposing of a 1996 Ford Ranger Recreation Vehicle

Motion by Councilmember Holmgren to dispose of this 1996 Ford Ranger Recreation Department Vehicle. Motion seconded by Councilmember Rohde. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved. Director Fulgham said the vehicle may be moved to Public Works for the Streets Department.

- i. Discussion and consideration of disposing of found and unclaimed property

Chief Nance stated the Police Department has items from last year they would like to dispose of. Some of the items will go to a second hand store and others may go on the surplus site.

Motion by Councilmember Rohde to dispose of the unclaimed property. Motion seconded by Councilmember Vance. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

- j. Discussion of a tiered water rate for Tremonton City and possible preliminary water rate structures as calculated by the Public Works Director

Director Fulgham spoke about the benefits of a tiered water rate and conservation. It was noted that secondary water will be part of the plan.

- 9. Reports & Comments:

a. City Manager Reports and Comments

1. Continuation or commencement of discussing any item not completed in the 6:00 pm City Council Workshop

Manager Warnke asked that a discussion regarding Midland Square be on the next agenda.

b. City Department Head Reports and Comments

Director Fulgham commented they painted stripes on 2300 West.

c. Council Reports and Comments

Councilmember Vance appreciated Director Fulgham's numbers regarding a tiered water rate.

Councilmember Doutre stated that Bruce Jeppesen contacted her about the car drag he did last year and wondered about doing it again this year. Chief Nance noted he would like to be more involved with the planning and ensure the activities are more controlled and possibly on private property. Councilmember Doutre noted he Mr. Jeppesen has paid for the food and shirts himself. She commented that perhaps the City could help him with some of the costs as it helps bring people to the City. Mr. Jeppesen will be at the next City Council to discuss the details.

Councilmember Rohde asked about details regarding the fair booth and parade. Mayor Fridal stated that Ginger Rose is doing the City's fair booth. He will drive the 1953 Ford Customline in the parade. They discussed that the Council will meet to pass out candy and will need to help sell tickets for the car raffle.

Councilmember Holmgren thanked everyone for the good job they did on the 24th of July/City Days.

10. Adjournment.

Motion by Councilmember Reese to adjourn the meeting. Motion seconded by Councilmember Doutre. Vote: Councilmember Doutre - aye, Councilmember Holmgren - aye, Councilmember Reese - aye, Councilmember Rohde - aye, and Councilmember Vance - aye. Motion approved.

The meeting adjourned at 8:14 p.m.

The undersigned duly acting and appointed Recorder for Tremonton City Corporation hereby certifies that the foregoing is a true and correct copy of the minutes for the City Council Meeting held on the above referenced date. Minutes were prepared by Deputy Recorder Cynthia Nelson.

Dated this _____ day of _____, 2016.

Linsey Nessen, Acting City Recorder